

ANNUAL REPORT

Of

Company Name: Liberty Utilities (Black Mountain Sewer) Corp
14920 W. Camelback Rd.

Mailing Address: Litchfield Park AZ
85340

Docket No.: SW-02361A
For the Year Ended: 12/31/16

RECEIVED
BY EMAIL
10/29/2020, 9:02 AM
ARIZONA CORPORATION COMMISSISON
UTILITIES DIVISION

WASTEWATER UTILITY

To

Arizona Corporation Commission

Due on April 15th

Email: rdelafuente@azcc.gov, mail or deliver the completed Annual Report to:
Arizona Corporation Commission
Compliance Section - Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

Application Type: Corrected Filing
Application Date: 10/29/2020

ARIZONA CORPORATION COMMISSION
 WASTEWATER UTILITY ANNUAL REPORT
 Liberty Utilities (Black Mountain Sewer) Corp
 A Class Utility

For the Calendar Year Ended: 12/31/16

Primary Address:

14920 W. Camelback Rd.			
City:	Litchfield Park	State:	Arizona
		Zip Code:	85340

Telephone Number:

623-935-9367

Date of Original Organization of Utility:

2/24/1978

Person to whom correspondence should be addressed concerning this report:

Name:

Leticia Washington

 Telephone No. :

623-935-9367

 Address:

14920 W. Camelback Rd.			
City:	Litchfield Park	State:	Arizona
		Zip Code:	85340

 Email:

Leticia.Washington@LibertyUtilities.com

Management Contact

Name:

Matthew Garlick

 Telephone No. :

623-298-3763

 Address:

14920 W. Camelback Rd.			
City:	Litchfield Park	State:	Arizona
		Zip Code:	85340

 Email:

Matthew.Garlick@LibertyUtilities.com

On-Site Manager

Name:

Eric Burkett

 Telephone No. :

480-983-1293

 Address:

7202 E. Cave Creek			
City:	Carefree	State:	Arizona
		Zip Code:	85377

 Email:

Eric.Burkett@LibertyUtilities.com

NA

Name:

NA

 Telephone No. :

NA

 Address:

NA			
City:	NA	State:	Arizona
		Zip Code:	NA

 Email:

NA

NA

Name:

NA

 Telephone No. :

NA

 Address:

NA			
City:	NA	State:	Arizona
		Zip Code:	NA

 Email:

NA

Ownership:

"C" Corporation

Counties Served:

Maricopa

Utility Plant in Service (Wastewater)							
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Accumulated Depreciation	OCLD (OC less AD)
101.2	Operating Leases	\$0	\$0	\$0	\$0	\$0	\$0
351	Organization	0	0	0	0	0	0
352	Franchises	0	0	0	0	0	0
353	Land and Land Rights	472,524	0	0	472,524	0	472,524
354	Structures and Improvements	2,993,382	20,823	7,783	3,006,423	1,831,824	1,174,599
355	Power Generation Equipment	9,000	0	0	9,000	1,251	7,749
360	Collections Wastewater - Force	1,129,895	37,288	14,497	1,152,686	375,029	777,657
361	Collections Wastewater - Gravity	4,696,788	4,301	15,747	4,685,343	3,732,376	952,967
362	Special Collecting Structures	0	3,052	0	3,052	31	3,021
363	Services to Customers	260,435	4,400	6,050	258,785	177,001	81,784
364	Flow Measuring Devices	31,668	34,489	21,224	44,933	12,168	32,765
365	Flow Measuring Installations	180,051	0	0	180,051	179,815	236
366	Reuse Services	0	0	0	0	0	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0
370	Receiving Wells	773,931	0	0	773,931	509,977	263,953
371	Pumping Equipment	1,094,397	79,643	133,759	1,040,281	720,932	319,349
374	Reuse Distribution Reservoirs	0	0	0	0	0	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	0	0
380	Treatment and Disposal Equipment	337,570	43,109	0	380,679	144,329	236,350
381	Plant Sewers	116,917	4,028	0	120,945	117,018	3,927
382	Outfall Sewer Lines	0	0	0	0	0	0
389	Other Plant and Misc. Equipment	967,442	5,059	31,863	940,638	755,435	185,203
390	Office Furniture and Equipment	226,973	0	142,234	84,739	52,770	31,969
390.1	Computer & Software	62,541	0	0	62,541	43,652	18,889
391	Transportation Equipment	85,805	7,358	38,221	54,942	32,420	22,522
392	Stores Equipment	0	0	0	0	0	0
393	Tools, Shop and Garage Equipment	30,269	527	0	30,796	7,661	23,135
394	Laboratory Equipment	10,683	7,677	4,454	13,906	4,215	9,691
395	Power Operated Equipment	0	0	0	0	0	0
396	Communication Equipment	118,076	4,334	0	122,410	65,792	56,618
397	Miscellaneous Equipment	6,892	0	0	6,892	1,034	5,858
398	Other Tangible Plant	486,294	0	0	486,294	486,294	0
	Totals	\$14,091,532	\$256,090	\$415,832	\$13,931,790	\$9,251,024	\$4,680,765

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Liberty Utilities (Black Mountain Sewer) Corp
Annual Report
Depreciation Expense for the Current Year (Wastewater)
12/31/16

Depreciation Expense for the Current Year (Wastewater)									
Account No.	Description	Beginning Year Original Cost	Current Year Additions	Current Year Retirements	Adjusted Original Cost	Fully Depreciated/Non-depreciable Plant	Depreciable Plant	Depreciation Percentages	Depreciation Expense
351	Organization	0	0	0	0	0	0	0.00%	0
352	Franchises	0	0	0	0	0	0	0.00%	0
353	Land and Land Rights	472,524	0	0	472,524	472,524	0	0.00%	0
354	Structures and Improvements	2,993,382	20,823	7,783	3,006,423	0	3,006,423	3.33%	99,897
355	Power Generation Equipment	9,000	0	0	9,000	0	9,000	5.00%	450
360	Collections Wastewater - Force	1,129,895	37,288	14,497	1,152,686	0	1,152,686	2.00%	22,826
361	Collections Wastewater - Gravity	4,696,788	4,301	15,747	4,685,343	0	4,685,343	2.00%	93,821
362	Special Collecting Structures	0	3,052	0	3,052	0	3,052	2.00%	31
363	Services to Customers	260,435	4,400	6,050	258,785	0	258,785	2.00%	5,192
364	Flow Measuring Devices	31,668	34,489	21,224	44,933	10,444	34,489	10.00%	1,724
365	Flow Measuring Installations	180,051	0	0	180,051	179,622	429	10.00%	43
366	Reuse Services	0	0	0	0	0	0	2.00%	0
367	Reuse Meters & Meter Installations	0	0	0	0	0	0	8.33%	0
370	Receiving Wells	773,931	0	0	773,931	0	773,931	3.33%	25,772
371	Pumping Equipment	1,094,397	79,643	133,759	1,040,281	410,899	629,382	12.50%	73,695
374	Reuse Distribution Reservoirs	0	0	0	0	0	0	2.50%	0
375	Reuse Trans. And Distr. Equipment	0	0	0	0	0	0	2.00%	0
380	Treatment and Disposal Equipment	337,570	43,109	0	380,679	0	380,679	5.00%	17,956
381	Plant Sewers	116,917	4,028	0	120,945	116,917	4,028	5.00%	101
382	Outfall Sewer Lines	0	0	0	0	0	0	3.33%	0
389	Other Plant and Misc. Equipment	967,442	5,059	31,863	940,638	0	940,638	6.67%	63,634
390	Office Furniture and Equipment	226,973	0	142,234	84,739	0	84,739	6.67%	10,396
390.1	Computer & Software	62,541	0	0	62,541	0	62,541	20.00%	12,508
391	Transportation Equipment	85,805	7,358	38,221	54,942	13,843	41,099	20.00%	7,484
392	Stores Equipment	0	0	0	0	0	0	4.00%	0
393	Tools, Shop and Garage Equipment	30,269	527	0	30,796	0	30,796	5.00%	1,527
394	Laboratory Equipment	10,683	7,677	4,454	13,906	3,032	10,874	10.00%	704
395	Power Operated Equipment	0	0	0	0	0	0	5.00%	0
396	Communication Equipment	118,076	4,334	0	122,410	0	122,410	10.00%	12,024
397	Miscellaneous Equipment	6,892	0	0	6,892	0	6,892	10.00%	689
398	Other Tangible Plant	486,294	0	0	486,294	0	486,294	10.00%	24,314
	Subtotal	\$14,091,532	\$256,090	\$415,832	\$13,931,790	\$1,207,281	\$12,724,509		\$474,788

Contribution(s) in Aid of Construction (Gross)	\$6,803,669
Less: Non Amortizable Contribution(s)	0
Fully Amortized Contribution(s)	5,468,610
Amortizable Contribution(s)	\$1,335,059
Times: Proposed Amortization Rate	3.73%
Amortization of CIAC	\$56,451

Less: Amortization of CIAC

DEPRECIATION EXPENSE

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Liberty Utilities (Black Mountain Sewer) Corp
Annual Report
Balance Sheet Liabilities and Owners Equity

Balance Sheet Liabilities and Owners Equity				
	Liabilities		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current Liabilities			
231	Accounts Payable		(\$602)	\$0
232	Notes Payable (Current Portion)		0	0
234	Notes Payable to Associated Companies		1,549,628	1,401,289
235	Customer Deposits		0	0
236	Accrued Taxes		180,044	0
237	Accrued Interest		0	0
241	Miscellaneous Current and Accrued Liabilities		340,492	404,043
	Total Current Liabilities		\$2,069,562	\$1,805,332
	Long Term Debt			
224	Long Term Debt (Notes and Bonds)		\$0	\$0
	Total Long Term Debt		\$0	\$0
	Deferred Credits			
252	Advances in Aid of Construction		\$1,510,174	\$328,649
253	Other Deferred Credits		204,612	339,966
255	Accumulated Deferred Investment Tax Credits		0	0
271	Contributions in Aid of Construction		6,803,669	6,803,669
272	Less: Amortization of Contributions		(5,409,971)	(5,468,610)
281	Accumulated Deferred Income Tax		(118,471)	104,907
	Total Deferred Credits		\$2,990,013	\$2,108,582
	Total Liabilities		\$5,059,575	\$3,913,914
	Capital Accounts			
201	Common Stock Issued		\$1,009,680	\$1,009,680
211	Other Paid-In Capital		0	0
215	Retained Earnings		801,856	2,068,134
218	Proprietary Capital (Sole Props and Partnerships)		0	0
	Total Capital		\$1,811,535	\$3,077,813
	Total Liabilities and Capital		\$6,871,110	\$6,991,727

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note: Total liabilities and Capital must match total assets for the beginning and end of the year!

Liberty Utilities (Black Mountain Sewer) Corp
 Annual Report
 Balance Sheet Assets
 12/31/16

Balance Sheet Assets				
	Assets		Balance at Beginning of Year (2016)	Balance at End of Year (2016)
Account No.	Current and Accrued Assets			
131	Cash		(\$140,055)	\$3,042
132	Special Deposits		192,937	311,243
135	Temporary Cash Investments		0	0
141	Customer Accounts Receivable		52,959	43,339
142	Other Accounts Receivable		0	129,579
143	Accumulated Provision for Uncollectable Accounts		(8,319)	(9,807)
146	Notes Receivable from Associated Companies		0	0
151	Plant Material and Supplies		0	0
162	Prepayments		8,025	16,549
173	Accrued Utility Revenue		27,064	260,831
174	Miscellaneous Current and Accrued Assets		0	0
	Total Current and Accrued Assets		\$132,610	\$754,776
	Deferred Debits			
186.1	Deferred Rate Case Expense		\$4,774	\$254,462
186.2	Other Deferred Debits		\$0	\$0
186.3	Regulatory Assets		0	801,015
	Total Deferred Debits		\$4,774	\$1,055,477
	Fixed Assets			
101	Utility Plant in Service*		\$14,091,532	\$13,931,790
103	Property Held for Future Use		0	0
105	Construction Work in Progress		1,834,260	500,709
108	Accumulated Depreciation (enter as negative)*		(9,192,067)	(9,251,024)
121	Non-Utility Property		0	0
122	Accumulated Depreciation - Non Utility		0	0
	Total Fixed Assets		\$6,733,726	\$5,181,474
	Total Assets		\$6,871,110	\$6,991,727

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Note these items feed automatically from the adjusted end of year balance from AR4.

Liberty Utilities (Black Mountain Sewer) Corp
Annual Report
Wastewater Comparative Income Statement
12/31/16

Wastewater Comparative Income Statement			
Account No.	Calendar Year	Current Year 01/01/2016 - 12/31/2016	Last Year 01/01/2015 - 12/31/2015
	Operating Revenue		
521	Flat Rate Revenues	\$2,526,497	\$2,288,423
522	Measured Revenues	0	0
534	Rents from Wastewater Property	0	0
536	Other Wastewater Revenues	8,296	10,268
	Total Revenues	\$2,534,794	\$2,298,691
	Operating Expenses		
701	Salaries and Wages	\$0	\$0
704	Employee Pensions and Benefits	0	0
710	Purchased Wastewater Treatment	263,816	6,440
711	Sludge Removal Expense	3,375	675
715	Purchased Power	64,369	57,439
716	Fuel for Power Production	0	0
718	Chemicals	14,568	14,325
720	Materials and Supplies	15,319	16,153
720.1	Repairs and Maintenance	0	0
720.2	Office Supplies and Expense	0	0
721	Office Expense	14,222	12,409
731	Contractual Services - Engineering	0	13,257
732	Contractual Services - Accounting	(167)	39
733	Contractual Services - Legal	(49,999)	287,366
734	Contractual Services - Management Fees	439,913	272,920
735	Contractual Services - Testing	21,758	13,307
736	Contractual Services - Other	320,948	644,519
740	Rents - Building	23,505	23,695
742	Rents - Equipment	0	0
750	Transportation Expenses	11,269	16,842
756	Insurance - Vehicles	1,803	1,471
757	Insurance - General Liability	6,928	8,328
758	Insurance - Worker's Compensation	0	0
759	Insurance - Other	0	0
760	Advertising Expense	0	0
766	Regulatory Commission Expense - Rate Case	0	0
767	Regulatory Commission Expense - Other	0	0
770	Bad Debt Expense	2,925	(2,858)
775	Miscellaneous Expense	34,252	43,378
403	Depreciation Expense (From Schedule AR4)	418,337	438,604
407	Amortization of Regulatory Assets	66,694	0
408	Taxes Other Than Income	0	0
408.11	Property Taxes	52,492	51,653
408.12	Payroll Taxes	0	0
409	Income Taxes	104,907	61,573
	Total Operating Expenses	\$1,831,236	\$1,981,535
	Operating Income / (Loss)	\$703,558	\$317,156
	Other Income / (Expense)		
414	Gain (Loss) on Dispositions	\$0	\$0
419	Interest and Dividend Income	0	0
420	AFUDC Income	(14,771)	91,036
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility (Expense)	0	0
427	Interest (Expense)	(14,658)	(30,310)
	Total Other Income / (Expense)	(\$29,428)	\$60,726
	Net Income / (Loss)	\$674,130	\$377,882

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Supplemental Financial Data (Long-Term Debt)				
	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	None	None	None	None
Source of Loan	None	None	None	None
ACC Decision No.	None	None	None	None
Reason for Loan	None	None	None	None
Dollar Amt. Issued	None	None	None	None
Amount Outstanding	None	None	None	None
Date of Maturity	None	None	None	None
Interest Rate	None	None	None	None
Current Year Interest	None	None	None	None
Current Year Principal	None	None	None	None

Meter Deposit Balance at Test Year End:	None
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Meter Deposits Refunded During the Test Year:	None
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List all bonds, notes, loans, and other types of indebtedness in which the proceeds were used in the provision of public utility service. Indebtedness incurred for personal uses by the owner of the utility should not be listed. Input 0 or none if there is nothing to report for that cell.

Wastewater Utility Plant Description	
Name of System:	Liberty Utilities (Black Mountain Sewer) Corp.
Wastewater Inventory Number (if applicable):	APP100351
Type of Treatment	Extended Aeration
Design Capacity of Plant (Gallons per day)	160,000 GPD BMSC Facility/318,000 GPD Scottsdale

LIFT STATION FACILITIES				
Location	Quantity of Pumps	Horsepower Per Pump	Rated Capacity Per Pump (GPM)	Wet Well Capacity (gals)
Commercial	2	23 HP	200	1080
CIE - No Longer Exists	N/A	N/A	N/A	N/A
Indian Rock	2	6.5	100	470
Sage Brush	2	4	45	470
Trade Center	2	10	174	1000
Sentinel Rock	2	15	370	1500
Carefree Highway	2	20	150	1525
Stage Coach Pass	2	5	50	470
Peaceful Place	2	3	15	470
Sunset Trails	2	20	150	2600
El Pedregal	2	10	185	2000
Ridgeview	2	7.5	100	470
Canyon Crossings - New River	2	2	85	1000
Carefree Village	2	2.7	85	1760
Indian Basket	2	1	11	150

FORCE MAINS		
Size	Material	Length (Feet)
Unknown	ACP/PVC/DIP	3,581
1.5 inch	ACP	2,660
2 inch	ACP	5,352
2.5 inch	PVC	164
3 inch	PVC	685
4 inch	PVC	7,263
6 inch	PVC	28,767
8 inch	PVC	625
10 inch	PVC	1,188

MANHOLES	
Type	Quantity
Standard	1,049
Drop	19

CLEANOUTS
Quantity
30
NA

Note: If you are filing for more than one system, please provide separate sheets for each system.

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Wastewater Utility Plant Description (Continued)					
COLLECTION MAINS			SERVICES/LATERALS		
Sizes (inches)	Material	Length (feet)	Size (inches)	Material	Quantity
4	VCP/PVC/DIP/ABS	473	4	NA	2,034
6	VCP/PVC/DIP/ABS	12,457	6	NA	131
8	VCP/PVC/DIP/ABS	193,951	NA	NA	NA
10	VCP/PVC/DIP/ABS	3,145	NA	NA	NA
12	VCP/PVC/DIP/ABS	3,061	NA	NA	NA
15	VCP/PVC/DIP/ABS	1,708	NA	NA	NA
18	VCP/PVC/DIP/ABS	130	NA	NA	NA
21	VCP/PVC/DIP/ABS	74	NA	NA	NA
24	VCP/PVC/DIP/ABS	0	NA	NA	NA
30	VCP/PVC/DIP/ABS	0	NA	NA	NA
16	VCP/PVC/DIP/ABS	2,786	NA	NA	NA
2	VCP/PVC/DIP/ABS	473	NA	NA	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	NA

For the following five items, list the utility owned assets in each category for each system.

SOLIDS PROCESSING AND HANDLING FACILITIES	N/A
DISINFECTION EQUIPMENT (Chlorinator, Ultra-Violet, Etc.)	Sodium Hypochlorite
FILTRATION EQUIPMENT (Rapid Sand, Slow Sand, Activated Carbon, Etc.)	Rapid Sand Filter
STRUCTURES (Buildings, Fences, Etc.)	Main Blower Bldg., Chlorine Bldg., Headworks Bldg., Concrete Black Wall (plant)
Other (Laboratory Equipment, Tools, Vehicles, Standby, Power Generators, Etc.)	Odor Control Scrubber (Plant), Stand-by Generator (Portable); Lifting Crane Assembly; Chevy Pickup (x1); Ford Pickup (x2); Stand by Generators (Carefree Village, Commercial, New Trade Center)

Note: If you are filing for more than one system, please provide separate sheets for each system.

Instructions: Fill out the Grey Cells with the relevant information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report. Copy and paste this sheet as many times as is necessary.

Wastewater Flows				
Month	Number of Services	Total Monthly Sewage Flow (Gallons)	Sewage Flow on Peak Day WWTP	Sewage Flow on Peak Day COS Meter
January	2,131	3,532,000	137,000	319,000
February	2,136	3,459,000	153,000	328,000
March	2,135	3,720,000	158,000	346,000
April	2,123	3,594,000	160,000	311,000
May	4	3,499,000	130,000	265,000
June	2,139	3,556,000	146,000	227,000
July	2,157	3,566,000	135,000	226,000
August	2,148	3,675,000	143,000	240,000
September	2,152	3,597,000	144,000	265,000
October	2,177	3,687,000	144,000	441,000
November	2,177	3,455,000	147,000	348,000
December	2,177	3,124,000	128,000	260,000
	Totals	42,464,000	1,725,000	3,576,000

Provide the following information as applicable per wastewater system:

Method of Effluent Disposal	Reuse
Groundwater Permit Number	NA
ADEQ Aquifer Protection Permit ("APP") Number	APP100351
ADEQ Reuse Permit Number	R105424
EPA NPDES Permil Number	NA
APP Effluent Treatment Requirement (Class)?	A+
Permitted Flow Rate	NA
Permitted Organic Capacity	NA
Hydraulic Capacity	NA
Type of Biological Treatment	N/A

In the space below, list all violations within the past 12 months:

NA

Note: If you are filing for more than one system, please provide separate sheets for each system.

- | |
|---|
| 1 Enter the total purchased power costs for the power meters associated with this system. |
| 2 Enter the total purchased kWh used by the power meters associated with this system. |

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Liberty Utilities (Black Mountain Sewer) Corp
 Annual Report
 Utility Shutoffs / Disconnects
 12/31/16

Utility Shutoffs / Disconnects	
Name of System:	Liberty Utilities (Black Mountain Sewer) Corp.
Wastewater Inventory Number (if applicable):	APP100351

Month	Termination without Notice R14-2-609.B	Termination with Notice R14-2-609.C	Other
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
Total	0	0	0

Other (description):

NA

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Liberty Utilities (Black Mountain Sewer) Corp
Annual Report
Property Taxes
12/31/16

Property Taxes	
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Amount of actual property taxes paid during Calendar Year 2016 was	\$52,492
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If no property taxes paid, explain why.

NA

Instructions: Fill out the Grey Cells with the relevent information. Input 0 or none if there is nothing recorded in that account or there is no applicable information to report.

Verification and Sworn Statement (Taxes)

Verification: State of Arizona, the undersigned of the
(state name)

County of (county name): Maricopa
Name (owner or official) title: Crystal Greene, Vice President, Finance
Company name: Liberty Utilities (Black Mountain Sewer) Corp

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/16

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Crystal Greene
signature of owner/official

623-298-3744
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 08 DAY OF September 2020
(month) and (year)

MY COMMISSION EXPIRES 03/20/2021
(date)



Dennis R. Thomas
(signature of notary public)

Verification and Sworn Statement

Verification:

State of Arizona I, the undersigned of the
(state name)
County of (county name): Maricopa
Name (owner or official) title: Crystal Greene, Vice President, Finance
Company name: Liberty Utilities (Black Mountain Sewer) Corp

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/16

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$2,534,794

(The amount in the box above includes

\$0 in sales taxes
billed or collected)

Crystal Greene
signature of owner/official

623-298-3744
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY

THIS 08 DAY OF September 2020
(month) and (year)

MY COMMISSION EXPIRES 03/20/2021
(date)



Dennis R. Thomas
(signature of notary public)

Verification and Sworn Statement (Residential Revenue)

Verification:

State of Arizona, the undersigned of the
(state name)

County of (county name): Maricopa
Name (owner or official) title: Crystal Greene, Vice President, Finance
Company name: Liberty Utilities (Black Mountain Sewer) Corp

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION.

FOR THE YEAR ENDING: 12/31/16

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

Sworn Statement: IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING THE CALENDAR YEAR WAS:

Arizona Intrastate Gross Operating Revenues Only (\$) \$1,952,202
(The amount in the box above includes \$0 in sales taxes billed or collected)

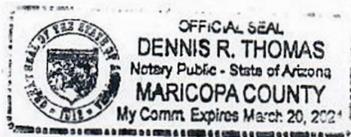
Crystal Greene
signature of owner/official

623-298-3744
telephone no.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC
IN AND FOR THE COUNTY Maricopa
(county name)

THIS 08 DAY OF September 2020
(month) and (year)

MY COMMISSION EXPIRES 03/20/2021
(date)



Dennis R. Thomas
(signature of notary public)